

Effect:

- Changes the levy lid from the lesser of \$1.50 per \$1,000 of assessed value or \$2,500 per pupil to:
 - o the lesser of \$2.50 per \$1,000 of assessed value or \$2,500 per pupil for school districts with fewer than 9,600 FTE students; and
 - o the lesser of \$2.50 per \$1,000 of assessed value or \$3,000 per pupil for school districts with 9,600 FTE students or more.
- Changes the local effort assistance (LEA) threshold from \$1,500 per pupil to \$2,100 per pupil.
- Adds an LEA hold harmless provision for eligible school districts receiving less LEA in calendar year 2020 than in calendar year 2019, not to exceed the 2020 LEA threshold.

1 AN ACT Relating to school levies; and amending RCW 28A.500.015
2 and 84.52.0531.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 28A.500.015 and 2018 c 266 s 303 are each amended to
5 read as follows:

6 (1) Beginning in calendar year ((2019)) 2020 and each calendar
7 year thereafter, the state must provide state local effort assistance
8 funding to supplement school district enrichment levies as provided
9 in this section.

10 (2) For an eligible school district, annual local effort
11 assistance funding is equal to the school district's maximum local
12 effort assistance multiplied by a fraction equal to the school
13 district's actual enrichment levy divided by the school district's
14 maximum allowable enrichment levy.

15 (3) The state local effort assistance funding provided under this
16 section is not part of the state's program of basic education deemed
17 by the legislature to comply with the requirements of Article IX,
18 section 1 of the state Constitution.

19 (4) The definitions in this subsection apply throughout this
20 section unless the context clearly requires otherwise.

1 (a) "Eligible school district" means a school district whose
2 maximum allowable enrichment levy divided by the school district's
3 total student enrollment in the prior school year is less than the
4 state local effort assistance threshold.

5 (b) For the purpose of this section, "inflation" means, for any
6 school year, the rate of the yearly increase of the previous calendar
7 year's annual average consumer price index for all urban consumers,
8 Seattle area, using the official current base compiled by the bureau
9 of labor statistics, United States department of labor.

10 (c) "Maximum allowable enrichment levy" means the maximum levy
11 permitted by RCW 84.52.0531.

12 (d) "Maximum local effort assistance" means the difference
13 between the following:

14 (i) The school district's actual prior school year enrollment
15 multiplied by the state local effort assistance threshold; and

16 (ii) The school district's maximum allowable enrichment levy.

17 (e) "Prior school year" means the most recent school year
18 completed prior to the year in which the state local effort
19 assistance funding is to be distributed.

20 (f) "State local effort assistance threshold" means ~~((one))~~ two
21 ~~thousand ((five))~~ one hundred dollars per student ~~((7))~~ as increased
22 ~~((for))~~ by inflation ~~((beginning in))~~ from the 2019 calendar year
23 ~~((2020))~~.

24 (g) "Student enrollment" means the average annual full-time
25 equivalent student enrollment.

26 (5) For districts in a high/nonhigh relationship, the enrollments
27 of the nonhigh students attending the high school shall only be
28 counted by the nonhigh school districts for purposes of funding under
29 this section.

30 (6) For school districts participating in an innovation academy
31 cooperative established under RCW 28A.340.080, enrollments of
32 students attending the academy shall be adjusted so that each
33 participant district receives its proportional share of student
34 enrollments for purposes of funding under this section.

35 (7) For school districts with a calculated calendar year 2020
36 local effort assistance amount that is less than their calendar year
37 2019 state local effort assistance funding, the calendar year 2019
38 state local effort assistance funding must be provided. However, if
39 the combined per-pupil amount of enrichment levy revenue calculated
40 under RCW 84.52.0531 and the local effort assistance funding

1 calculated under this subsection exceed the state local effort
2 assistance threshold, state local effort assistance must be reduced
3 so that the combined per-pupil amount equals the state local effort
4 assistance threshold.

5 **Sec. 2.** RCW 84.52.0531 and 2018 c 266 s 307 are each amended to
6 read as follows:

7 (1) Beginning with taxes levied for collection in ~~((2019))~~ 2020,
8 the maximum dollar amount which may be levied by or for any school
9 district for enrichment levies under RCW 84.52.053 is equal to the
10 lesser of ~~((one))~~ two dollars and fifty cents per thousand dollars of
11 the assessed value of property in the school district or the maximum
12 per-pupil limit.

13 (2) The definitions in this subsection apply to this section
14 unless the context clearly requires otherwise.

15 (a) For the purpose of this section, "inflation" means, for any
16 school year, the rate of the yearly increase of the previous calendar
17 year's annual average consumer price index for all urban consumers,
18 Seattle area, using the official current base compiled by the bureau
19 of labor statistics, United States department of labor.

20 (b) "Maximum per-pupil limit" means:

21 (i) Two thousand five hundred dollars, as increased by inflation
22 from the 2019 calendar year, multiplied by the number of average
23 annual full-time equivalent students enrolled in the school district
24 in the prior school year, for school districts with fewer than nine
25 thousand six hundred annual full-time equivalent students enrolled in
26 the school district in the prior school year; or

27 (ii) Three thousand dollars, as increased by inflation from the
28 2019 calendar year, multiplied by the number of average annual full-
29 time equivalent students enrolled in the school district in the prior
30 school year, for school districts with nine thousand six hundred or
31 more annual full-time equivalent students enrolled in the school
32 district in the prior school year. (~~Beginning with property taxes~~
33 levied for collection in 2020, the maximum per-pupil limit shall be
34 increased by inflation.))

35 (c) "Prior school year" means the most recent school year
36 completed prior to the year in which the levies are to be collected.

37 (3) For districts in a high/nonhigh relationship, the enrollments
38 of the nonhigh students attending the high school shall only be

1 counted by the nonhigh school districts for purposes of funding under
2 this section.

3 (4) For school districts participating in an innovation academy
4 cooperative established under RCW 28A.340.080, enrollments of
5 students attending the academy shall be adjusted so that each
6 participant district receives its proportional share of student
7 enrollments for purposes of funding under this section.

8 (5) Beginning with propositions for enrichment levies for
9 collection in calendar year 2020 and thereafter, a district must
10 receive approval of an enrichment levy expenditure plan under RCW
11 28A.505.240 before submission of the proposition to the voters.

12 (6) The superintendent of public instruction shall develop rules
13 and regulations and inform school districts of the pertinent data
14 necessary to carry out the provisions of this section.

15 (7) Beginning with taxes levied for collection in 2018,
16 enrichment levy revenues must be deposited in a separate subfund of
17 the school district's general fund pursuant to RCW 28A.320.330, and
18 for the 2018-19 school year are subject to the restrictions of RCW
19 28A.150.276 and the audit requirements of RCW 43.09.2856.

20 (8) Funds collected from levies for transportation vehicles,
21 construction, modernization, or remodeling of school facilities as
22 established in RCW 84.52.053 are not subject to the levy limitations
23 in subsections (1) through (5) of this section.

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